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SOUTHERN CO
Form 8-K
April 06, 2001

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) April 2, 2001

THE SOUTHERN COMPANY

(Exact name of registrant as specified in its charter)

Delaware	1-3526	58-0690070
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(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

270 Peachtree Street, NW, Atlanta, Georgia	30303
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(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (404) 506-5000

N/A

(Former name or former address, if changed since last report.)

Item 2. Acquisition or Disposition of Assets.

On February 19, 2001, The Southern Company ("Southern") announced that the Southern Board of Directors (the "Board") approved the spin-off of Mirant Corporation ("Mirant") and declared a stock distribution of all of Southern's shares in Mirant. The distribution was completed on April 2, 2001 to Southern shareholders of record as of 5:00 PM Eastern Time on March 21, 2001. Southern received no consideration in connection with the distribution. At the time of the distribution, Southern held 272 million shares, or approximately 80.3%, of the outstanding common stock in Mirant.

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In accordance with Accounting Principles Board Opinion No. 30, Mirant has been segregated as a discontinued operation in Southern's consolidated financial statements for all periods presented in Southern's Annual Report on Form 10-K for the year ended December 31, 2000.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(b) Pro forma financial information.

Pro Forma Condensed Consolidated Balance Sheet

Southern Company and Subsidiaries
Pro Forma Condensed Consolidated Balance Sheet
At December 31, 2000

(in millions)

The pro forma balance sheet assumes that the Mirant spin-off occurred on December 31, 2000. The pro forma adjustments reflect the distribution of Mirant's net assets to Southern's shareholders. The distribution was made from Southern's paid-in capital to the extent available, with the remainder made from retained earnings. No pro forma income statement is included since Mirant was reflected as discontinued operations for the year ended December 31, 2000.

	Historical	Adjustments	Pro Forma
Assets			
Current Assets:			
Cash and cash equivalents	\$199		\$199
Special deposits	6		6
Receivables, less accumulated provision for uncollectible accounts of \$22	1,312		1,312

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	Historical	Adjustments	Pro Forma
Underrecovered retail fuel clause revenue	418		418
Fossil fuel stock, at average cost	195		195
Materials and supplies, at average cost	508		508
Other	187		187

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Total current assets	2,825		\$2,825
Property, Plant, and Equipment:			
In service	34,188		34,188
Less accumulated depreciation	14,350		14,350
	19,838		19,838
Nuclear fuel, at amortized cost	215		215
Construction work in progress	1,569		1,569
Total property, plant, and equipment	21,622		21,622
Other Property and Investments:			
Nuclear decommissioning trusts, at fair value	690		690
Net assets of discontinued operations	3,320	(3,323)	
		3 (a)	
Leveraged leases	596		596
Other	165		165
Total other property and investments	4,771	(3,320)	1,451
Deferred Charges and Other Assets:			
Deferred charges related to income taxes	957		957
Prepaid pension costs	498		498
Debt expense, being amortized	99		99
Premium on reacquired debt, being amortized	280		280
Other	310		310
Total deferred charges and other assets	2,144		2,144
Total Assets	\$31,362	(\$3,320)	\$28,042
Liabilities and Stockholders' Equity			
Current Liabilities:			
Securities due within one year	\$67		\$67
Notes payable	1,680		1,680
Accounts payable	869	3 (a)	872
Customer deposits	140		140
Taxes accrued --			
Income taxes	88		88
Other	208		208
Interest accrued	121		121
Vacation pay accrued	119		119
Other	445		445
Total current liabilities	3,737	3	3,740
Long-term Debt	7,843		7,843

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Deferred Credits and Other Liabilities:

Accumulated deferred income taxes	4,074		4,074
Deferred credits related to income taxes	551		551
Accumulated deferred investment tax credits	664		664
Employee benefits provisions	478		478
Prepaid capacity revenues	58		58
Other	653		653
Total deferred credits and other liabilities	6,478		6,478
Company or subsidiary obligated mandatorily redeemable capital and preferred securities	2,246		2,246
Cumulative preferred stock of subsidiaries	368		368
Common stockholders' Equity:			
Common stock, par value \$5 per share	3,503		3,503
Paid-in capital	3,153	(3,153)	
Treasury, at cost	(545)		(545)
Retained earnings	4,672	(263)	4,409
Accumulated other comprehensive income	(93)	93	0
Total common stockholders' equity	10,690	(3,323)	7,367
Total Liabilities and Stockholders' Equity	\$31,362	(\$3,320)	\$28,042

(a) Reflects reversal of amounts payable to Mirant previously eliminated in consolidation.

Item 9. Regulation FD Disclosure.

On April 3, 2001, Southern issued a press release related to the spin-off of Mirant. The purpose of this Form 8-K is to furnish the press release for informational purposes only pursuant to Regulation FD. A copy of the press release is furnished with this Form 8-K as Exhibit 99.

Exhibit 99 - Press release dated April 3, 2001 related to the spin-off of Mirant.

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 6, 2001

THE SOUTHERN COMPANY

By /s/Tommy Chisholm
Tommy Chisholm
Secretary